



ABN 14 074 009 091

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## ASX Announcement

### RECONNAISSANCE PROGRAMME COMMENCED AT THE WESTERN HAEMATITE PROJECT

The Company is pleased to advise that following the capital raising announced last week, work has commenced on the Reconnaissance Programme for the Western Haematite Project, located on the Company's Yogi tenement package 14km east of Yalgoo in the mid west of Western Australia.

Field data collection has commenced for both the ground magnetics survey and the ground gravity survey. The area being investigated will cover the primary and secondary haematite targets, an area of 600 hectares. The data will be analysed and modelled to assist in drill targeting for the upcoming reconnaissance drilling.

Drilling will initially focus on the primary target where haematite outcrops over a 2000m strike length in varying widths of up to 50m and is currently scheduled to commence in mid October.

For further information please contact: Brett Manning – Managing Director +61 8 9277 2600

#### **The Yalgoo Iron Project - Outline**

Ferrowest Limited is developing the Yalgoo Iron Project aimed at producing seaborne traded merchant pig iron (96%Fe) from the Yogi magnetite deposit near Yalgoo in the mid west region of Western Australia. Proposed initial production is 1,000,000 tonnes per annum. The plan to process the iron ore to pig iron is premised on the ITmk3<sup>®</sup> technology and excellent existing infrastructure servicing the Project area. The resulting value added merchant pig iron product will be a relatively high margin, high quality, low volume product for export to quality electric arc furnace steel making plants worldwide.

#### **The Western Haematite Prospect – Outline**

Ferrowest Limited has identified a potential zone of direct shipping ore ("DSO") grade haematite at its Yogi iron ore deposit 14 km east of Yalgoo in the mid west of Western Australia. The prospect is to the west of the main magnetite ore body that forms the basis of the Yalgoo Iron Project. Surface rock chip sampling along the Western Haematite Project produced an average grade of 57-58% Fe. The first target has a surface expression of 2km in length and with varying widths up to 50m wide, indicating significant potential as a DSO grade iron project.

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